

THE HURSON-CLAGETT-PINSKY BILL FOR PUBLIC FUNDING OF CAMPAIGNS IN MARYLAND (SB725/HB1317)

THE TIME IS NOW IN MARYLAND FOR ARIZONA-STYLE PUBLIC FUNDING OF CAMPAIGNS

Special interests pumped \$75 million into Maryland's 2002 elections – double what they spent in 1998. This accelerating campaign inflation rate enables those who have money – the rich and big business – to exercise more power than ever in deciding who gets elected in Maryland. These same moneyed interests enjoy privileged access in Annapolis because lawmakers, in effect, owe their jobs to them.

The vast majority of Marylanders can't afford to play this game. Less than 1% of Marylanders can afford to give a campaign contribution of any kind. When it comes to campaign contributions, environmentalists are outspent by developers and polluters 100-1 according to some measurements; labor by business 9-1. Other groups, such as women and minorities, are not outspent by a specific opponent. But the fact that they donate so little in absolute terms means their voices get drowned out all too often in Annapolis.

Most lawmakers, too, don't like the current system. They spend more and more time fundraising. And, to remain competitive, they feel obliged to accept money from interest groups whose agenda they might not support.

THE SOLUTION: ARIZONA-STYLE PUBLIC FUNDING OF CAMPAIGNS

Strict limits on fundraising and expenditures seem to be the straightest path to reform. But the Supreme Court refuses to countenance mandatory campaign expenditure limits, calling them a violation of free speech.

It is futile to tinker around the edges of a campaign finance system whose main features the courts declare sacrosanct. We need to adopt a proven alternative to that system. That alternative is public funding of campaigns as practiced in Arizona and Maine. Here's how it works:

- To participate, a candidate must demonstrate broad community support by collecting a large number of small contributions in the district he wishes to represent.
- If successful, he receives enough money from the public Treasury to wage a competitive campaign.
- If a privately financed opponent outspends him, he receives offsetting funds to keep pace, up to a certain limit.

Advantages of Arizona-style reform:

- It enables citizens with community support but ordinary financial means to run for office.
- By encouraging electoral competition, public funding widens debate.
- It frees candidates and lawmakers from incessant fundraising, removing the appearance and reality of corruption.
- Participation in the publicly funded system is voluntary; by leaving the private campaign finance system alone, the Act is immune to judicial challenge.
- Publicly funded candidates who win owe nothing to fat cat contributors, reducing the latter's privileged access in Annapolis.
- Maryland's publicly funded system would cost less than \$2 per resident per year – a small price to pay for real democracy and significantly less than the current system, which lavishes pork on special interest contributors.
- *This reform has already been implemented in Maine and Arizona, where it is accomplishing all the benefits described above.*

IN 2004, MARYLAND HAS AN UNPRECEDENTED OPPORTUNITY TO MAKE GOVERNMENT SERVE THE PEOPLE, NOT JUST THE SPECIAL INTERESTS

In 2002, the General Assembly passed a bill to create an official task force to examine public funding of campaigns and make recommendations for Maryland. This distinguished, bipartisan study commission, chaired by the Dean of Liberal Arts at the University of Baltimore, Carl Stenberg issued its final report in February 2004. It recommends in favor of Arizona-style reform for General Assembly races. Del. John Hurson, Del. Virginia Clagett, and Sen. Paul Pinsky are sponsoring legislation based on the Stenberg recommendation. The bill (SB725/HB1317) arrives at a moment ripe for campaign finance reform in Maryland:

- **Everybody Agrees That Maryland Suffers from a Campaign Finance Problem.** The 2002 election cycle was by far the most expensive in Maryland's history. The campaign inflation rate doubled between 1998 and 2002. Since 1990, the gubernatorial inflation rate has skyrocketed 726%. During the 2002 campaign, the media reported incessantly on the unprecedented sums of money spent. A record \$1 million in contributions from the gambling industry alone – timed to influence the high profile fight over legalization of slot machines -- has reinforced the general consensus that Maryland suffers from a campaign finance problem. Even the FBI is investigating the campaign finance mess in Annapolis.
- **Strong Support from the Media.** The *Washington Post* and *Baltimore Sun* both support Arizona-style reform, so editorials could help create a pro-Stenberg climate that lawmakers will find difficult to ignore.
- **Key Legislative Leaders Support Public Funding of Campaigns or are Persuadable.** Senate President Mike Miller has not ruled out support for the Stenberg recommendation and says he looks forward to reading its report. Speaker Mike Busch is a progressive Democrat who will give this issue a fair-minded hearing. Del. Sheila Hixson, whose committee will consider the bill on the House side, is a cosponsor of the legislation. Sen. Paula Hollinger, whose committee considers the bill in the Senate, cosponsored the bill to create the Stenberg Commission and supports the Arizona model.
- **The Hurson-Clagett-Pinsky Bill is Affordable.** The Fiscal Note will put the cost at only \$27 million for a four-year election cycle. That comes to only \$6.75 million per year – i.e., 0.03% of the state's annual budget, or \$1.30 per Marylander per year. As implementation of the system would be delayed until the 2010 election cycle, this modest expense would kick in after the 2006 election – i.e., when the current budget deficit will be a distant memory. Moreover, the system could be financed not with tax-dollars, but instead through a surcharge on repeat drunk-drivers and speeding violators.
- **Arizona-style Reform Will Help Close the Budget Deficit.** Over the past year, Progressive Maryland has demanded closure of hundreds of millions of dollars in corporate tax loopholes as the best way to balance the state's budget. A focus on loopholes, in turn, has prompted the natural question: "How did they get there?" And this question, in turn, is giving advocates of public funding of campaigns one of our strongest arguments in favor of reform: tax loopholes are payola to corporate campaign contributors. If Maryland wants to climb out of this budget deficit and achieve more fiscal discipline in the future, the single best step we can take is to enact Maine-style campaign finance reform.
- **Arizona-style Reform is Incumbent-Friendly.** As incumbent lawmakers learn how the system works in Maine and Arizona, they see that this reform is in their self-interest. Already in Maine and Arizona, almost half of incumbents use the publicly funded system. And in both states 90% of incumbents still win re-election (as they do in Maryland). Why? Because incumbents enjoy plenty of other advantages over challengers besides a fundraising edge. They have superior name-recognition, more contacts among activists, better campaign skills, more experience, a proven track record, etc. Incumbents in both states like the system because it eliminates the worst aspect of their job (fundraising) and frees them after the election to vote their conscience (not as contributors and corporate lobbyists demand).

The Hurson-Clagett-Pinsky bill (SB725/HB1317) could do for campaign finance reform what the Thornton commission did for public schools. Marylanders should not only endorse it, but should make its passage a top priority in the 2004 session of the General Assembly. The growing movement in Maryland to bring Clean Elections to our state, a movement includes Progressive Maryland, NAACP, SCLC, CAPAD, United Methodist Church, AARP, the League of Women Voters, Sierra Club, Common Cause/Maryland, American Jewish Congress, and dozens more. Contact Progressive Maryland at sean@progressivemaryland.org or 301.495.7004.